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SUBSIDY PROGRAM OF CCC(OD), LCS28a,
COVERING 1944 BARTLETT CANNED PEARS

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I. INTRODUCTION

The War Food Administration has authorized the making of equalization payments using Commodity Credit Corporation funds to canners of pears covering 1944 crop Bartlett Pears canned from raw pears obtained outside the canners' normal areas of supply. The underlying purposes of the program are to insure the maximum necessary distribution of pears and production of canned pears and to prevent the waste of pears.

II. GENERAL DESCRIPTION OF THE PROGRAM

The Commodity Credit Corporation will make equalization payments to canners located outside of surplus pear producing areas under the following general principles and conditions:

- A. With respect to pears produced in 1944, payments will be made to canners to equalize, to the extent necessary, the excess cost incurred by canners through movement of pears from areas of surplus production areas in which unused canning capacity exists.
- B. The Director of Distribution or his authorized representative will determine the existence and amount of any surplus of pears, the area or areas in which purchases may be made by participating canners, and the areas within which the plants in which such surplus pears are to be canned must be located in order for canners to be eligible to receive cost equalization payments as provided herein.
- C. The Director of Distribution or his authorized representative may, if he determines that a surplus of pears exists in any area, announce that bids will be received from canners offering to purchase surplus pears and can such pears in plants located outside of the area of surplus production in consideration of a cost equalization payment.
- D. The Director or his representative, will accept or reject any bid and may allocate among canners, whose bids are accepted, the quantity of surplus pears on which payment will be made.

Program Accounting
General Ledgers
Subsidy, Diversion and Price
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II. (Cont.)

- E. In the event actual supplies of surplus pears are less than the quantity upon which bids are accepted, the Director, or his representative, may reduce the quantity of pears upon which payments will be made.
- F. Before any payment is made, each canner whose bid has been accepted must certify (a) if the pears were purchased from growers, that he has paid not less than the applicable grower price or prices for the area as announced by OPA and WFA, or, if purchases are made from other than growers, that not less than the applicable grower price or prices were paid to growers, (b) that the pears purchased were actually canned in the plant or plants specified in the bid as submitted by the canner and accepted by the Director.

The estimated amount required for the payments to be made under this program is \$400,000.00.

III. EXAMINATION OF CLAIMS

Claims of canners will be submitted to the appropriate Regional Finance Office on "Certificate of Performance and Request for Equalization Payment" in triplicate. Claims shall be processed by the Program Contract Accounting Section in accordance with Finance Instruction 551.3, Section V, Part A.

IV. ACCOUNTING AND REPORTS

Accounting for the 1944 pear canning subsidy program will be performed by the Regional Finance Office of the OD Region in which the program is administered (Western Region), in accordance with Finance Instruction 560.7, 561.7, 562.7, 563.7, and 564.7.

Reporting under this program will be in accordance with Finance Instruction 569.7. Reports of payments should reflect number of tons and amount.

